# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC

	29 April 2019
In the Matter of	)
2018 Quadrennial Regulatory Review –	) MB Docket No. 18-349
Review of the Commission's Broadcast	)
Ownership Rules and Other Rules Adopted	)
Pursuant to Section 202 of the	)
Telecommunications Act of 1996	)

#### COMMENTS OF STEVEN L. WHITE

I, Steven L. White, hereby submit my comments in response to the 2018 Quadrennial Regulatory Review *Notice of Proposed Rulemaking* ("*NPRM*") adopted by the Commission in the above-referenced proceeding. I serve as Director, Triangle Access Broadcasting, Inc., licensee of LPFM WRLY-LP in Raleigh, NC.

#### INTRODUCTION AND SUMMARY

In the *NPRM*, the Federal Communications Commission (the "Commission") seeks comment on the implementation and the necessity of the Local Radio Ownership Rule ("ownership rule"). I believe that the rule is effective, promotes local competition, and remains necessary to allow access to limited public spectrum by the diverse field of broadcasters to necessary serve a diverse population.

#### **DISCUSSION**

I. Broadcast Services are unique, and the Commission should resist comparisons with satellite and Internet media sources

The broadcast services present a unique situation whereby public service is expected in return for use of the limited public spectrum. Comparisons to other non-broadcast media sources such as satellite radio and Internet-delivered media must be carefully evaluated. The Commission rightly recognizes factors such as subscription costs, Internet availability, and local responsiveness. In 2019, broadcast radio still has no true substitute. There has been no cause for loosening the ownership rules for AM and FM broadcast stations. Comparing with satellite radio, one must recognize the size differences of the broadcast service areas and that satellite radio is not free to access. Comparing with Internet services, one must acknowledge that Internet is not yet available in cars to a degree necessary to be truly competitive. For those cars where Internet is available, either embedded in the car or via mobile phones, there is an undeniable socioeconomic divide. In either case, the Internet subscription is an additional charge.

Comparisons with Google and Facebook should be outright disregarded. Google and Facebook provide conduits for content delivery. They do not claim responsibility for nor provide the content. More importantly, anyone can setup an Internet site and compete anytime. The Internet does not have the same spectrum limits as broadcast services. While Internet services can compete with broadcast services for advertisers and listeners, so too can cinemas, sports arenas, and other entertainment venues. In short, the likeness to broadcast services is too small and makes data from any comparisons irrelevant.

## II. There is no barrier for broadcasters to directly compete with alternative audio sources. The real barrier is for new and diverse entrants into the broadcasting marketplace.

I oppose NAB's arguments (from its June 15, 2018, anticipatory letter) that "current ownership limits constrain the ability of radio broadcasters to compete on a level playing field..." Radio broadcasters are able to directly compete with other digital audio products by developing their own digital products such as what iHeartMedia, Inc. has done with its iHeartRadio app. I agree with earlier

conclusion that the broadcast radio listening market remains the relevant product market for purposes of the Local Radio Ownership Rule, and that this still remains as the correct assessment.

While I appreciate that broadcasters must compete for listeners and advertising dollars with everything else in the world, the Commission must recognize that fostering economies of scale and scope to compete on access purposes only with Internet and satellite delivery is synonymous with fostering a reduction in local content. This could indeed be a valid course where there is no barrier to new entrants seeking to address a lack of responsiveness. However, requested radio spectrum is unavailable many markets as evidenced by the need for spectrum auctions. Reducing ownership limits for FM stations only raises the cost of entry to diverse voices and protects the incumbents. The public interest demands retaining a balance that the current radio ownership limits provide.

### III. Digital broadcasting has already given broadcasters additional opportunities.

The *NPRM* asks if digital radio technologies have had an impact. The answer is, emphatically, "YES!" The industry is seeing widespread use of HD radio stations translated to FM. Unfortunately, primary stations are not broken down any further than by callsign or overall facility of the source station in order to effectively evaluate HD-on-FM pervasiveness at a national level, however in the Raleigh, NC area (at least) 20 translators retransmit 7 alternate digital streams from IBOC-enabled FM stations. As these translators are not counted towards ownership limits (47 CFR 74.1232(b)), broadcasters are already getting a free pass around ownership limits. If anything, the Commission should consider counting HD-fed FM translators as counting towards FM ownership limits where more than one translator is employed to retransmit identical programming or where greater than 50% of the primary's service area (either by geographic area or by common population to translator(s) and the primary) is duplicated by a translator in Neilsen Audio Metros.

Likewise, any requests for unlimited AM ownership must be weighted against the ability to translate AM to FM that the rules allow. The Commission would be further increasing demand of FM translators and thus making them unavailable to address diverse needs, this after the recent price spike from AM revitalization efforts. Translator W225DF in Morrisville, NC (covering Raleigh) was won for \$301,000 in Auction 83. The impact of allowing common ownership of more FM or AM stations must be well studied in addition to other questions raised by the Commission. At this time, additional

**CONCLUSION** 

allowable AM stations can only come with recognition of a translator's role in consuming FM spectrum

such that additional AM stations are not authorized to enable *de facto* FM stations using translators.

For the foregoing reasons, the Commission should, at a minimum, retain current radio broadcast limits at their current levels. Where any ownership restrictions may be loosened, the Commission should factor in the role of FM translators and the potential for this overlooked aspect to factor into a harmful unintended consequence.

Respectfully Submitted,

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